



Montgomery County Council

From the Office of Councilmember Phil Andrews

March 17, 2014

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Statement of Councilmember Phil Andrews on County Executive Leggett's Recommended Fiscal Year 2015 Operating Budget

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ROCKVILLE, Md., March 17, 2014—Montgomery County Councilmember Phil Andrews today issued the following statement after County Executive Isiah Leggett present his recommended Fiscal Year 2015 operating budget to the County Council:

The budget proposed by County Executive Leggett would put County taxpayers in a fiscal straightjacket because it exceeds the amount required by the State's Maintenance of Effort (MOE) law. This law requires funding MCPS at \$28 million more than last year. Going above that amount by an additional \$26 million, as proposed by Mr. Leggett, would lock County taxpayers into that amount year after year—with no way to ensure that the funding was spent for what it was originally designated. Until the State's extreme MOE law is reformed to be flexible and allow for one-time investments in education, it would be fiscally irresponsible for the County to exceed it.

County employees deserve a pay raise, but one that it is reasonable, sustainable and not requiring maintaining the region's highest-by-far energy tax, as proposed by Mr. Leggett. The Council should reduce the cost of the proposed pay increases by \$14 million. This is the second straight year that Mr. Leggett's budget includes excessive pay raises for County employees of 6.75 to 9.75 percent, at a cost of approximately \$33 million in FY15 and an annualized cost of \$88.7 million.

In 2010, Mr. Leggett proposed a 100 percent increase in the County's energy tax, and proposed it sunset after two years. In 2012 and 2013, I led efforts on the County Council that reduced the 2010 increase in the energy tax by 10 percent each year. The Council should continue to reduce the energy tax rate until it reaches its 2010 level. The cost of continuing to reduce it by an additional 10 percent in FY15 is \$11.8 million.

Here's how the County Council should re-allocate the \$40 million saved by providing MCPS funding at the MOE level and increasing employee pay at a reasonable and sustainable level:

- Reduce the 2010 energy tax rate increase by another 10 percent—cost equals \$11.8 million.
- Reduce the County's property tax rate by an additional 1 percent—cost equals \$15 million.
- Increase pothole and other infrastructure maintenance by \$1 million a month—cost equals \$12 million.
- Expand library hours by eight hours per week at the following library branches: Aspen Hill, Chevy Chase, Damascus, Davis, Kensington Park, Little Falls, Long Branch, Potomac, Marilyn Praisner, Twinbrook and White Oak—approximate cost of \$1.1 million.

These changes to Mr. Leggett's budget would make it fiscally responsible, make the County more economically affordable and competitive and provide increased funding for much-needed infrastructure maintenance and expanded access to our libraries.

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